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Another \$1 Billion Of Pentagon Funds Claimed as 'Excess'

By DAVID ROGERS

Staff Reporter of The WALL STREET JOURNAL WASHINGTON—The Senate Appropriations Subcommittee for Defense identified nearly \$1 billion in "excess" Pentagon funds beyond the \$4 billion already acknowledged by Defense Secretary Caspar Weinberger last month.

The Republican-controlled panel recommended using the money to slash the Reagan administration's request for \$2.16 billion in supplemental spending to meet increased military pay costs this year. The "excess" \$946 million in personnel and procurement funds is available because of program adjustments and because inflation has proved lower than expected, the subcommittee found.

The reductions by the generally conservative and pro-military subcommittee go even further than the House has proposed in its version of the same bill, and reflect a greater willingness to look hard at available funds since Mr. Weinberger's disclosure of the \$4 billion excess funds, which resulted from overestimates of inflation in previous years.

Unlike the \$4 billion of appropriations, which can be applied to future spending, the \$946 million comes from balances due to expire at the end of this fiscal year, Sept. 30.

The \$920.6 million in total supplemental budget authority approved by the panel is \$359 million below the level approved by the House and \$1.24 billion under what the administration requested.

Grumman Aircraft Work

Among individual items, the Senate panel approved only \$38.4 million of a

House proposal allocating \$240 million for wing work on Grumman Corp.'s A-6E aircraft for the Navy. And the panel didn't include any new funds for aid to Nicaraguan guerrillas, despite a last-minute request by the State Department.

The administration is seeking \$38 million for the anti-Sandinista forces, to be funneled by the Central Intelligence Agency over this year and fiscal 1986. Given favorable floor votes last week in the Senate authorizing such a package, some aid seems certain to be added finally as part of a major spending bill incorporating both the military pay requests and major supplemental appropriations for foreign aid and domestic accounts.

The subcommittee's decision to ignore the State Department's request reflects more irritation with the White House's handling of the issue than a rejection of the policy, but the administration could be hurt unless these tensions ease.

Aid to Jordan

Separately, the administration is preparing a request for aid to Jordan—part of which, at least, may end up in the supplemental spending bill. In a letter last week to Budget Director David Stockman, Secretary of State George Shultz endorsed a two-year, \$250 million package of commodity and development assistance for Jordan from economic support funds. But in the same letter, Mr. Shultz spoke of a potential request for military aid as well.

The State Department favors attaching at least the economic portion to the supplemental spending bill, but no formal request has been submitted yet to Congress, because of continued divisions in the administration as to when to move on the military portion.

"We have in mind both a military and economic assistance package for Jordan," said Mr. Shultz in his letter. As part of any future arms sale, sources say, the administration is considering providing Jordan with increased military credits—possibly \$150 million annually over a five-year period—to offset the costs.